STRUCTURES, INC., ("PSI"), pursuant to LR 16-2, requests the

Court to conduct a pretrial conference in this action to

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expedite disposition of this case, on the ground the case is complex and is one in which there has been delay, as more fully set out below.

I. <u>Procedural History</u>

This action is related to a subrogation action Plaintiff LIBERTY MUTUAL INSURANCE GROUP commenced in the Clark County state court on February 22, 2006, as action number A521975, against PSI and its employee, Floyd Nielsen. Action number A521975 is still pending in the Clark County District Court.

This subrogation action was commenced by Plaintiff LIBERTY MUTUAL INSURANCE GROUP in Clark County state court on August 30, 2010, as action number A624272. The state court action was removed to this Court based on the diversity of citizenship of Plaintiff LIBERTY MUTUAL, with principal place of business in Boston Massachusetts, and PSI, with principal place of business in Modesto, California. The Complaint seeks recovery in excess of \$500,000, which meets the jurisdictional limitation for removal jurisdiction. The Complaint refers to LIBERTY MUTUAL'S insurance contract and a Customer Agreement between PSI and ARIZONA LABOR FORCE, INC.("ALFI"). Plaintiff LIBERTY MUTUAL moved to remand the action to state court based on 28 U.S.C. 1445(c). This Court denied the Motion.

PSI answered the Complaint and asserted a Counterclaim against LIBERTY MUTUAL seeking damages for breach of an implied covenant of good faith and fair dealing in LIBERTY MUTUAL's insurance contract issued to ALFI. LIBERTY MUTUAL moved to dismiss the Counterclaim. This Court denied the motion.

On March 25, 2011, the Court entered its Scheduling Order establishing discovery deadlines. Third-Party Defendant ALFI had not yet appeared in the action. Third-Party Defendant ALFI moved to dismiss the first and second claims for relief in PSI's Third-Party Complaint. This Court granted the motion.

PSI moved to amend its Counterclaim against LIBERTY MUTUAL to add additional entities related to LIBERTY MUTUAL, including "LM Insurance Corporation", which issued LIBERTY's insurance policy to ALFI and "Liberty Mutual Insurance Company," which supervises subrogation actions for LIBERTY MUTUAL. LIBERTY opposed the Motion to Amend. This Motion has been fully brief for decision.

On August 16, 2011, the Court vacated its Order dismissing the first and second claims for relief in PSI's Third-Party Complaint and entered an Order denying ALFI's Motion to Dismiss these claims. The Court also denied ALFI's Motion to Dismiss the third claim for relief. Counsel for ALFI and PSI agreed to postpone ALFI's appearance to the Third-Party Complaint until the Court's ruling on PSI's Motion to Amend its Counterclaim and the actual filing of an Amended Answer, Counterclaim and Third-Party Complaint.

In response to the Court's August 16, 2011 ruling reinstating claims in PSI's Third-Party Complaint, PSI submitted an Amended Proposed Answer, Counterclaim and Third-Party Complaint to clarify PSI's damage claims in its Counterclaim.

LIBERTY moved to strike the amended proposed pleading on the ground it was not supported by PSI's Motion to Amend. This Motion has not been fully briefed for ruling.

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The parties conducted an FRCP 26(f) meeting in this action on August 30, 2011. The parties discussed discovery and were unable to resolve the discovery disputes which developed. The parties submitted a proposed Amended Scheduling Order, requesting additional discovery and related deadlines. The proposed Amended Scheduling Order was rejected by the Court.

On August 31, 2011, PSI noticed the deposition of Plaintiff LIBERTY MUTUAL, pursuant to FRCP 30(b)(6), on 13 days notice, on September 13, 2011. On September 7, 2011, Plaintiff LIBERTY MUTUAL moved for a protective order to preclude the Rule 30(b)(6) deposition. The deposition went forward on September 13, 2011, with all counsel attending. Witness Cindy Riggio testified that she had no corporate information responsive to the subjects identified in the Notice. At the deposition, counsel for LIBERTY delivered a courtesy copy of LIBERTY's Answers to Interrogatories, which identified Kim DeConing, Senior Technical Claims Specialist, Liberty Mutual Insurance Company, Commercial Market Central Recovery Unit, Weston, Massachusetts, as the person who authorized the continued prosecution of LIBERTY MUTUAL's subrogation claim against PSI in Clark County District Court Case No. 517829.

The Magistrate Judge has scheduled a hearing on LIBERTY MUTUAL's Motion for Protective Order dated September 8, 2011, on Monday, September 26, 2011, at 10:00 a.m.

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Grounds for Request II. FRCP 16(a)(1)(5) expresses the purposes for a Rule 16 pretrial conference. Counsel for PSI represents to the Court a firm conviction that this case requires a Rule 16 pretrial conference on an urgent basis. Respectfully submitted. Dated: September 19, 2011. WAIT LAW FIRM Eugene J. V Nevada Bar Attorneys for Defendant/ Counterclaimant/ Third-Party Plaintiff PANELIZED STRUCTURES, INC.

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CERTIFICATE OF SERVICE

Pursuant to FRCP 5(b), I certify that I am an employee of
WAIT LAW FIRM, and that on September 19, 2011, pursuant to
Section IV of District of Nevada Electronic Filing Procedures,
deposited for mailing and sent via U.S. District Court CM/ECF
Filing, a true copy of the attached document addressed to:
Elizabeth J. Foley, Esq. Elizabeth Foley, Lawyer, Ltd. Attorneys at Law 601 S. Rancho Drive, Suite A-1 Las Vegas, Nevada 89106-4898

D. Chris Albright, Esq.
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